

15. (SALE OF VACANT SCHOOL LAND, APPLICATION NO. 10940, LOS ANGELES LAND DISTRICT, SAN BERNARDINO COUNTY, EUGENE G. PETTENGILL - S.W.O. 6387.)

Following presentation of Calendar Item No. 2 attached, Mrs. Carl Steiner appeared on her own behalf and that of Mr. Joseph Longeval to point out to the Commission that she felt she was the first applicant for the land in question and therefore should be given the opportunity to purchase the land. During the discussion which followed, a full explanation was given to Mrs. Steiner on the reasons as to why she was not the first applicant under the present rules and regulations of the Commission, which require that in order for an application to be valid it must be accompanied by a deposit for the full amount of the appraised value of the lands if they have been appraised prior to time of application. Mrs. Steiner was not willing to concede this point, and indicated that she probably would bring suit against the State. Mr. Kirkwood expressed the opinion that perhaps the section of the rules and regulations in question should be reviewed, looking towards possible revision.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE COMMISSION FINDS THAT SAID LAND IS NOT SUITABLE FOR CULTIVATION AND AUTHORIZES THE SALE OF THE E $\frac{1}{2}$  OF SECTION 36, T. 2 N., R. 6 E., S.B.M., CONTAINING 320 ACRES IN SAN BERNARDINO COUNTY, TO THE FIRST APPLICANT, EUGENE G. PETTENGILL, WHO HAS MET THE HIGH BID, AT A CASH PRICE OF \$11,200, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS.

Attachment

Calendar Item 2 (3 pages)

SALE OF VACANT SCHOOL LAND

2.

(SALE OF VACANT SCHOOL LAND, APPLICATION NO. 10940, LOS ANGELES LAND DISTRICT, SAN BERNARDINO COUNTY, EUGENE G. PETTENGILL - S.W.O. 6387.)

An offer has been received from Eugene G. Pettengill of Long Beach, California, to purchase the E $\frac{1}{2}$  of Section 36, T. 2 N., R. 6 E., S.B.M., containing 320 acres in San Bernardino County. The applicant made an offer of \$9,600, or \$30 per acre, the minimum value established by a prior appraisal.

The Assessor of San Bernardino County has assessed contiguous land at \$3.75 per acre.

An inspection and appraisal by a member of the Commission's staff on September 26, 1956 establishes the value of the subject land at \$30 per acre. Said appraisal also indicates that the land is not suitable for cultivation without artificial irrigation.

The land was advertised for sale with a stipulation that no offer of less than \$9,600 would be accepted.

Pursuant to this advertising, Florence Steiner and Joseph H. Longeval of Rio Vista, California, submitted a bid of \$11,200, or \$35 per acre (11062, Los Angeles Land District).

Under Section 2302(d) of the Rules and Regulations of the Commission, the first applicant was allowed 20 days from date of opening of bids (January 25, 1957) within which to submit the additional amount to meet the highest bid received. The first applicant, Eugene G. Pettengill, met the high bid within the period specified above.

By letter dated February 27, 1957, Attorney Robert Krause of Long Beach, California, reported that Mrs. Florence Steiner would appear before the Commission for the purpose of protesting the sale of the E $\frac{1}{2}$  of Section 36, T. 2 N., R. 6 E., S.B.M., to the first applicant, Eugene G. Pettengill.

The aforesaid letter states that Mrs. Florence Steiner believes that she is the original bidder and should have the opportunity to raise her bid if necessary to become the successful purchaser of the land.

The records of the State Lands Division show the following relative to applications by Mrs. Steiner for the subject land:

On August 10, 1948 there was received and filed an application from Florence Longeval (now Florence Steiner) to purchase the land (No. 10426, Los Angeles), accompanied by the required minimum deposit of \$2 per acre, or \$640 plus \$105 as an expense deposit and filing fee, pending appraisal. Subsequently an appraisal under this application established the land value at \$6 per acre. On October 21, 1948 the applicant was inadvertently advised that the minimum value of said land had been fixed at \$3 per acre and was requested to submit

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the additional amount of \$320. On October 28, 1948 Mrs. Steiner submitted the required \$320. Publication of notice of sale occurred on November 3, 1948 in the San Bernardino Daily Sun, indicating that offers must be \$960 or more. No other bids were received. The calendar item prepared for consideration by the Commission at its meeting held December 10, 1948 states that "Miss Longeval made an offer of \$960, or \$3 per acre. While said land was appraised by the Commission staff at \$6 per acre, the applicant refused to pay more than \$3 per acre and requested the land be advertised. Therefore, the land was advertised for sale with a stipulation that no offer of less than \$960 would be accepted. An appraisal made by the Commission's staff indicated that the offer as made is inadequate. It is recommended that the Commission authorize the sale of the E $\frac{1}{2}$  of Section 36, T. 2 N., R. 6 E., S.B.M., to Miss Longeval at a cash price of \$1,920, \$6 per acre, subject to all statutory reservations including minerals."

At its meeting held December 10, 1948 the Commission by unanimous resolution authorized the sale of the subject land to Florence Longeval at a cash price of \$1,920. By letter dated December 13, 1948 Miss Longeval was advised of the Commission action and requested to deposit an additional \$960. As no response was received, another letter under date of December 29, 1948 was directed to Miss Longeval requesting a reply. A letter signed by Miss Longeval under date of January 3, 1949 advised she was not desirous of increasing her bid to \$6 per acre, or \$1,920, and requested refund to her of the \$960 offered, together with the expense deposit of \$100 after deducting the \$5 filing fee, appraisal costs of \$40 and publication costs of \$10.08. Accordingly, her application was cancelled on January 3, 1949, and refund checks were forwarded to her on January 13, 1949. By this cancellation all rights of the applicant were forfeited.

On March 26, 1956 an application to purchase the subject land was received from Miss Florence Longeval, accompanied by an offer of \$6 per acre, or \$1,920, together with an expense deposit and filing fee of \$105. This application was not filed, but on March 28, 1956 was returned with the explanation that it was unacceptable for the reason that the application form did not contain a description of the land for which she was applying. (Reference Section 2301, Article 5, Rules and Regulations of the Commission - "to qualify as a bona fide applicant and obtain the rights enumerated under Section 2302(d), a person shall tender to the Sacramento office of the Commission his complete application on the form prescribed, accompanied by a filing fee...") The application was returned for the further reason that the applicant had not complied with Section 2301 of the Commission's Rules and Regulations which recites "Should the lands applied for have been appraised by the State prior to the filing of the application at a value in excess of the amounts stated above, the minimum acceptable offer shall be such appraised value". This rule was pointed out to the applicant, stating that a minimum offer of \$30 per acre was required to qualify an application based upon a 1955 re-appraisal of the land.

As reported above, a bid of \$11,200 was submitted, pursuant to advertising, by Florence Steiner and Joseph H. Longeval. This bid was not successful because it was met by the first applicant, Eugene G. Pettengill.

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Therefore, it appears that all rights of Florence Steiner were forfeited under her 1948 application at her own written request, that the lands were vacant and subject to the filing of an application by her at any time until the close of the bid period above-mentioned, and that all requirements of law have been complied with.

IT IS RECOMMENDED THAT THE COMMISSION FIND THAT SAID LAND IS NOT SUITABLE FOR CULTIVATION AND AUTHORIZE THE SALE OF THE E $\frac{1}{2}$  OF SECTION 36, T. 2 N., R. 6 E., S.B.M., CONTAINING 320 ACRES IN SAN BERNARDINO COUNTY, TO THE FIRST APPLICANT, EUGENE G. PETTENGILL, WHO HAS MET THE HIGH BID, AT A CASH PRICE OF \$11,200, SUBJECT TO ALL STATUTORY RESERVATIONS INCLUDING MINERALS.